

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Sports Giant LLC		07/21/2010	LIMITED LIABILITY COMPANY: CALIFORNIA

**RECEIVING PARTY DATA**

Name:	Beach Business Bank
Street Address:	650 Town Center Drive, Suite 150
City:	Costa Mesa
State/Country:	CALIFORNIA
Postal Code:	92626
Entity Type:	CORPORATION: CALIFORNIA

**PROPERTY NUMBERS Total: 9**

Property Type	Number	Word Mark
Registration Number:	3301584	EPUCK.COM
Registration Number:	2682997	HOCKEYGIANT
Registration Number:	2103998	GEAR ROLLER HOCKEY
Registration Number:	2792337	SPORTSGIANT
Registration Number:	2682998	HOCKEYGIANT.COM
Registration Number:	3347094	EPUCK.COM
Registration Number:	3301586	EVERYTHING BUT THE ICE
Registration Number:	2731648	LACROSSEGIANT
Registration Number:	2792336	SPORTSGIANT.COM

**CORRESPONDENCE DATA**

Fax Number: (949)720-0182  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 949-224-6282  
 Email: trademark@buchalter.com

**900167659**

**TRADEMARK  
 REEL: 004247 FRAME: 0215**

**CH \$240.00 3301584**

Correspondent Name: Sandra P. Thompson  
Address Line 1: 18400 Von Karman Ave., Suite 800  
Address Line 4: Irvine, CALIFORNIA 92612-0514

ATTORNEY DOCKET NUMBER: B2672-0004

NAME OF SUBMITTER: Sandra P. Thompson

Signature: /Sandra P. Thompson/

Date: 07/22/2010

Total Attachments: 19  
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### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies):**

Sports Giant LLC

- Individual(s)                       Association  
 General Partnership               Limited Partnership  
 Corporation- State: \_\_\_\_\_  
 Other Limited Liability Company

Citizenship (see guidelines) California

Additional names of conveying parties attached?  Yes  No

**3. Nature of conveyance )/Execution Date(s) :**

Execution Date(s) July 21, 2010

- Assignment                               Merger  
 Security Agreement                       Change of Name  
 Other \_\_\_\_\_

**2. Name and address of receiving party(ies)**

Additional names, addresses, or citizenship attached?  Yes  No

Name: Beach Business Bank

Internal

Address: \_\_\_\_\_

Street Address: 650 Town Center Drive., Suite 150

City: Costa Mesa

State: California

Country: US                                      Zip: 92626

- Association      Citizenship \_\_\_\_\_  
 General Partnership      Citizenship \_\_\_\_\_  
 Limited Partnership      Citizenship \_\_\_\_\_  
 Corporation      Citizenship California  
 Other \_\_\_\_\_      Citizenship \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)

**4. Application number(s) or registration number(s) and identification or description of the Trademark.**

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

3,301,584 2,103,998 2,682,998  
2,682,997 2,792,337

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

**5. Name & address of party to whom correspondence concerning document should be mailed:**

Name: Sandra P. Thompson

Internal Address: \_\_\_\_\_

Street Address: Buchalter Nemer

18400 Von Karman Avenue, Suite 800

City: Irvine

State: CA                                      Zip: 92612-0514

Phone Number: 949-224-6282

Fax Number: 949-720-0182

Email Address: trademark@buchalter.com

**6. Total number of applications and registrations involved:**

9

**7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 240.00**

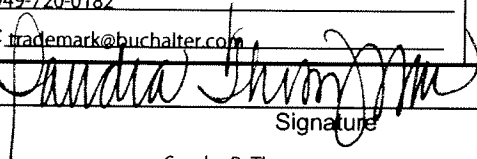
- Authorized to be charged to deposit account  
 Enclosed

**8. Payment Information:**

Deposit Account Number 500977

Authorized User Name Buchalter Nemer

**9. Signature:**



Signature

July 22, 2010

Date

Sandra P. Thompson

Name of Person Signing

Total number of pages including cover sheet, attachments, and document:

19

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

## Additional Trademarks

3,347,094

3,301,586

2,731,648

2,792,336

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

**THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT** (this "Agreement"), dated as of July 21, 2010, is entered into by and between SPORTS GIANT LLC, a California limited liability company ("Debtor"), and BEACH BUSINESS BANK ("Secured Party"), with reference to the following facts:

A. Debtor and certain of its Affiliates (sometimes collectively referred to herein as "Borrowers" and individually as a "Borrower"), on the one hand, and Secured Party, on the other hand, are contemporaneously herewith entering into that certain Note in the amount of Two Million Dollars (\$2,000,000) ("Note") which said Note is guaranteed by the Small Business Administration of the United States ("SBA") and other instruments, documents and agreements contemplated thereby or related thereto (collectively, and together with the Note, the "Loan Documents");

B. Debtor, Borrowers (as hereinafter defined) and Secured Party are contemporaneously herewith entering into a Credit Agreement (as hereinafter defined);

C. Debtor is the owner of certain intellectual property, identified below, in which Debtor is granting a security interest to Secured Party; and

C. To induce Secured Party to make the loan evidenced by the Note, Debtor has agreed to enter into this Security Agreement in order to grant to Secured Party a security interest in the Collateral to secure prompt payment and performance of the Secured Obligations (as such term is defined below).

NOW, THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, the parties hereto mutually agree as follows:

### 1. DEFINITIONS AND CONSTRUCTION.

**1.1 Definitions.** The following terms, as used in this Agreement, have the following meanings:

"Borrowers" means, jointly and severally, Debtor, SG Commerce LLC, a California limited liability company, Sports07 LLC, a California limited liability company and Sports Giant (Minn.) LLC, a Delaware Limited Liability company.

"Credit Agreement" means that certain Credit Agreement, dated as of even date herewith, between Debtor, Borrowers and Secured Party, as may be at any time hereafter supplemented, modified, amended or restated.

“Code” means the Uniform Commercial Code, as amended and supplemented from time to time, and any successor statute as presently in effect in the State of California.

“Collateral” means:

- (i) Each of the trademarks and rights and interest which are capable of being protected as trademarks (including trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently, or in the future may be, owned, created, acquired, or used (whether pursuant to a license or otherwise) by Debtor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;
- (ii) Each of the patents and patent applications which are presently, or in the future may be, owned, issued, acquired, or used (whether pursuant to a license or otherwise) by Debtor, in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;
- (iii) Each of the copyrights and rights and interests capable of being protected as copyrights, which are presently, or in the future may be, owned, authored, acquired, or used (whether pursuant to a license or otherwise) by Debtor, in whole or in part, and all copyright rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and all tangible property embodying the copyrights (including books, records, films, computer tapes or disks, photographs, specification sheets, source codes, object codes, and other physical manifestations of the foregoing);
- (iv) All of Debtor’s right, title, and interest in and to the trademarks and trademark registrations listed on Schedule A, attached hereto, as the same may be updated hereafter from time to time;
- (v) All of Debtor’s right, title, and interest, in and to the patents and patent applications listed on Schedule B, attached hereto, as the same may be updated hereafter from time to time;
- (vi) All of Debtor’s right, title, and interest, in and to the copyrights and copyright registrations listed on Schedule C, attached hereto, as the same may be updated hereafter from time to time;
- (vii) All of Debtor’s right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country and to apply for, renew, and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Debtor

or in the name of Secured Party for past, present, and future infringements of the trademarks, registrations, or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(viii) All of Debtor's right, title, and interest in all patentable inventions, and rights to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Debtor or in the name of Secured Party for past, present, and future infringements of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(ix) All of Debtor's rights to register copyright claims under any federal copyright law or regulation of any foreign country and to apply for registrations on original works, compilations, derivative works, collective works, and works for hire, the right (without obligation) to sue in the name of Debtor or in the name of Secured Party for past, present, and future infringements of the copyrights, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(x) All general intangibles relating to the foregoing; and

(xi) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

"Obligations" means all obligations, liabilities, and indebtedness of Borrowers (or any of them) to Secured Party, whether direct, indirect, liquidated, or contingent, and whether arising under this Agreement, the Note, any other of the Loan Documents, or otherwise, including all costs and expenses described in Section 11.8 hereof.

**1.2 Construction.** Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, and the term "including" is not limiting. The words "hereof," "herein," "hereby," "hereunder," and other similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement. Any initially capitalized terms used but not defined herein shall have the meaning set forth in the Credit Agreement. Any reference herein to any of the Loan Documents includes any and all alterations, amendments, extensions, modifications, renewals, or supplements thereto or thereof, as applicable.

## **2. GRANT OF SECURITY INTEREST.**

Debtor hereby grants to Secured Party a first-priority security interest in all of Debtor's right, title, and interest in and to the Collateral to secure the Obligations.

### 3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Debtor hereby represents, warrants, and covenants that:

#### 3.1 Copyrights; Trademarks; Service Marks; Patents.

(i) A true and complete schedule setting forth all material federal and state trademark and service mark registrations owned by Debtor, together with a summary description and full information in respect of the filing or issuance thereof is set forth on Schedule A;

(ii) A true and complete schedule setting forth all material patent and patent applications owned by Debtor, together with a summary description and full information in respect of the filing or issuance thereof is set forth on Schedule B; and

(iii) A true and complete schedule setting forth all material federal copyright registrations owned by Debtor, together with a summary description and full information in respect of the filing or issuance thereof is set forth on Schedule C.

**3.2 Validity; Enforceability.** To Debtor's knowledge, each of Debtor's material copyrights, patents, service marks and trademarks is valid and enforceable, and Debtor is not presently aware of any past, present, or prospective claim by any third party that any of its material copyrights, patents, service marks or trademarks are invalid or unenforceable, or that its use of any copyrights, patents, service marks or trademarks violates the rights of any third person, or of any basis for any such claims;

**3.3 Title.** Except for Permitted Liens, Debtor is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to each of the material copyrights, copyright registrations, patents, patent applications, service marks, service mark registrations, trademarks, and trademark registrations set forth on Schedules A, B and C, free and clear of any liens, charges, and encumbrances, including pledges, assignments, licenses, shop rights, and covenants by Debtor not to sue third persons;

**3.4 Notice.** Debtor has used and will continue to use any legally required statutory notice in connection with its use of each of its material copyrights, patents, service marks and trademarks;

**3.5 Quality.** Debtor has used and will continue to use consistent standards of high quality (which may be consistent with Debtor's past practices) in the manufacture, sale, and delivery of products and services sold or delivered under or in connection with its material service marks and trademarks, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of its material service marks and trademarks in its good faith business judgment;

**3.6 Perfection of Security Interest.** Except for the filing of a financing statement with the Secretary of State of the State of California and filings with the United States Patent and Trademark Office and the United States Copyright Office necessary to perfect the security interests created hereunder, no authorization, approval, or other action by, and no notice



to or filing with, any governmental authority or regulatory body is required either for the grant by Debtor of the security interest hereunder or for the execution, delivery, or performance of this Agreement by Debtor or for the perfection of Secured Party's security interest in the Collateral in the United States.

**4. AFTER-ACQUIRED COPYRIGHT, PATENT, SERVICE MARK OR TRADEMARK RIGHTS.**

If Debtor shall obtain rights to any new copyrights, service marks, trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Agreement shall automatically apply thereto. Debtor shall give prompt notice in writing to Secured Party with respect to any such new material service marks, trademarks or patents, or renewal or extension of any material service mark or trademark registration. Debtor shall bear any expenses incurred in connection with future patent applications or service mark or trademark registrations.

**5. LITIGATION AND PROCEEDINGS.**

Debtor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits, administrative proceedings, or other action for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Debtor shall provide to Secured Party any information with respect thereto reasonably requested by Secured Party. Secured Party shall provide at Debtor's expense all necessary cooperation in connection with any such suits, proceedings, or action, including, without limitation, joining as a necessary party. Following Debtor's becoming aware thereof, Debtor shall notify Secured Party of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, or any United States, state, or foreign court regarding Debtor's claim of ownership in any of the material patents, copyrights, service marks or trademarks, its right to apply for the same, or its right to keep and maintain such copyright, patent, service mark or trademark rights.

**6. POWER OF ATTORNEY.**

Debtor grants Secured Party power of attorney, having the full authority, and in the place of Debtor and in the name of Debtor, from time to time during an Event of Default in Secured Party's discretion, to take any action and to execute any instrument which Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of this Agreement: (a) to endorse Debtor's name on all applications, documents, papers, and instruments necessary for Secured Party to use or maintain the Collateral; (b) to ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral; (c) to file any claims or take any action or institute any proceedings that Secured Party may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Secured Party's rights with respect to any of the Collateral and to assign, pledge, convey, or otherwise transfer title in or dispose of the Collateral to any person.

**7. RIGHT TO INSPECT.**

Debtor grants to Secured Party and its employees and Secured Party's the right to visit Debtor's plants and facilities which manufacture, inspect, or store products sold under any of the patents or trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

**8. EVENTS OF DEFAULT.**

The occurrence of an Event of Default under and as defined in the Credit Agreement shall be an Event of Default hereunder.

**9. SPECIFIC REMEDIES.**

Upon the occurrence, and during the continuation, of any Event of Default, Secured Party shall have, in addition to, other rights given by law or in this Agreement, the Note, or in any other Loan Document, all of the rights and remedies with respect to the Collateral of a secured party under the Code, including the following:

**9.1 Notification.** Secured Party may notify licensees to make royalty payments on license agreements directly to Secured Party;

**9.2 Sale.** Secured Party may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Secured Party deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Debtor ten days prior to such disposition. Debtor shall be credited with the net proceeds of such sale only when they are actually received by Secured Party, and Debtor shall continue to be liable for any deficiency remaining after the Collateral is sold or collected. If the sale is to be a public sale, Secured Party shall also give notice of the time and place by publishing a notice one time at least five days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held. To the maximum extent permitted by applicable law, Secured Party may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any collateral payable by Secured Party at such sale.

**10. *Special Provisions Related to SBA Guaranteed Loans.*** The Loan secured by this Lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

**10.1** Notwithstanding the provisions of Section 16 of this Agreement to the contrary, when the SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.

**10.2** Secured Party or SBA may use local or state procedure for purposes such as filing papers, recording documents, giving notice, foreclosing Liens, and other purposes. By

using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Debtor or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Debtors, or defeat any claim of SBA with respect to this Loan.

Any clause in this Agreement requiring arbitration, including, but not limited to clause (h) of Section 12, is not enforceable when SBA is the holder of the Note secured by this Agreement.

**11. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.**

**12. THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD FOR PRINCIPLES OF CONFLICTS OF LAWS. NOTWITHSTANDING THE PROVISIONS OF THE IMMEDIATELY PRECEDING SENTENCE, WHEN THE SBA IS THE HOLDER OF THE NOTE, THIS AGREEMENT AND ALL OF THE LOAN DOCUMENTS WILL BE CONSTRUED IN ACCORDANCE WITH FEDERAL LAW INCLUDING THE REGULATIONS OF THE SBA.**

**12.1 THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT SECURED PARTY'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SECURED PARTY ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH DEBTOR AND SECURED PARTY WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF *FORUM NON CONVENIENS* OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 11.**

**12.2 DEBTOR AND SECURED PARTY HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. DEBTOR AND SECURED PARTY REPRESENT THAT IT HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY**

OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

**13. Reference Provision.** In the event the Jury Trial Waiver set forth above is not enforceable, the parties elect to proceed under this Judicial Reference Provision.

**13.1** With the exception of the items specified in Section 12.2 below, any controversy, dispute or claim (each, a "*Claim*") between the parties arising out of or relating to this Agreement or any other Loan Document will be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure ("*CCP*"), or their successor sections, which shall constitute the exclusive remedy for the resolution of any Claim, including whether the Claim is subject to the reference proceeding. Except as otherwise provided in the Loan Documents, venue for the reference proceeding will be in the state or federal court in the county or district where the real property involved in the action, if any, is located or in the state or federal court in the county or district where venue is otherwise appropriate under applicable law (the "*Court*").

**13.2** The matters that shall not be subject to a reference are the following: (i) nonjudicial foreclosure of any security interests in real or personal property, (ii) exercise of self-help remedies (including, without limitation, set-off), (iii) appointment of a receiver and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions). This reference provision does not limit the right of any party to exercise or oppose any of the rights and remedies described in clauses (i) and (ii) or to seek or oppose from a court of competent jurisdiction any of the items described in clauses (iii) and (iv). The exercise of, or opposition to, any of those items does not waive the right of any party to a reference pursuant to this reference provision as provided herein.

**13.3** The referee shall be a retired judge or justice selected by mutual written agreement of the parties. If the parties do not agree within ten (10) days of a written request to do so by any party, then, upon request of any party, the referee shall be selected by the Presiding Judge of the Court (or his or her representative). A request for appointment of a referee may be heard on an ex parte or expedited basis, and the parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP § 170.6, each party shall have one peremptory challenge to the referee selected by the Presiding Judge of the Court (or his or her representative).

**13.4** The parties agree that time is of the essence in conducting the reference proceedings. Accordingly, the referee shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within fifteen (15) days after the date of selection of the referee, (ii) if practicable, try all issues of law or fact within one hundred twenty (120) days after the date of the conference and (iii) report a statement of decision within twenty (20) days after the matter has been submitted for decision.

**13.5** The referee will have power to expand or limit the amount and duration of discovery. The referee may set or extend discovery deadlines or cutoffs for good cause,

including a party's failure to provide requested discovery for any reason whatsoever. Unless otherwise ordered based upon good cause shown, no party shall be entitled to "priority" in conducting discovery, depositions may be taken by either party upon seven (7) days written notice, and all other discovery shall be responded to within fifteen (15) days after service. All disputes relating to discovery which cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding.

**13.6** Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except that when any party so requests, a court reporter will be used at any hearing conducted before the referee, and the referee will be provided a courtesy copy of the transcript. The party making such a request shall have the obligation to arrange for and pay the court reporter. Subject to the referee's power to award costs to the prevailing party, the parties will equally share the cost of the referee and the court reporter at trial.

**13.7** The referee shall be required to determine all issues in accordance with existing case law and the statutory laws of the State of California. The rules of evidence applicable to proceedings at law in the State of California will be applicable to the reference proceeding. The referee shall be empowered to enter equitable as well as legal relief, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a court proceeding, including without limitation motions for summary judgment or summary adjudication. The referee shall issue a decision at the close of the reference proceeding which disposes of all claims of the parties that are the subject of the reference. Pursuant to CCP § 644, such decision shall be entered by the Court as a judgment or an order in the same manner as if the action had been tried by the Court and any such decision will be final, binding and conclusive. The parties reserve the right to appeal from the final judgment or order or from any appealable decision or order entered by the referee. The parties reserve the right to findings of fact, conclusions of laws, a written statement of decision, and the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

**13.8** If the enabling legislation which provides for appointment of a referee is repealed (and no successor statute is enacted), any dispute between the parties that would otherwise be determined by reference procedure will be resolved and determined by arbitration. The arbitration will be conducted by a retired judge or justice, in accordance with the California Arbitration Act §1280 through §1294.2 of the CCP as amended from time to time. The limitations with respect to discovery set forth above shall apply to any such arbitration proceeding. The provisions of this Section 12.8 providing for arbitration will be inapplicable and un-enforceable when the SBA is the holder of the Note.

**13.9** THE PARTIES RECOGNIZE AND AGREE THAT ALL CONTROVERSIES, DISPUTES AND CLAIMS RESOLVED UNDER THIS REFERENCE PROVISION WILL BE DECIDED BY A REFEREE AND NOT BY A JURY. AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL

OF ITS, HIS OR HER OWN CHOICE, EACH PARTY KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, AGREES THAT THIS REFERENCE PROVISION WILL APPLY TO ANY CONTROVERSY, DISPUTE OR CLAIM BETWEEN OR AMONG THEM ARISING OUT OF OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

#### **14. GENERAL PROVISIONS.**

**14.1 Effectiveness.** This Agreement shall be binding and deemed effective when executed by Debtor and Secured Party.

**14.2 Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, however, that Debtor may not assign this Agreement or any rights or duties hereunder without Secured Party's prior written consent and any prohibited assignment shall be absolutely void. Secured Party may assign this Agreement and its rights and duties hereunder in connection with any assignment of the Note and no consent or approval by Debtor is required in connection with any such assignment.

**14.3 Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each section applies equally to this entire Agreement.

**14.4 Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Secured Party or Debtor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

**14.5 Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

**14.6 Amendments in Writing.** This Agreement can only be amended by a writing signed by both Secured Party and Debtor.

**14.7 Counterparts; Telefacsimile Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile also shall deliver a manually executed counterpart of this Agreement but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

**14.8 Fees and Expenses.** Debtor shall pay to Secured Party on demand all reasonable costs and expenses that Secured Party pays or incurs in connection with the

negotiation, preparation, consummation, administration, enforcement, and termination of this Agreement, including: (a) reasonable attorneys' and paralegals' fees and disbursements of counsel to Secured Party; (b) costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) for any amendment, supplement, waiver, consent, or subsequent closing in connection with this Agreement and the transactions contemplated hereby; (c) costs and expenses of lien and title searches; (d) taxes, fees, and other charges for filing this Agreement at the United States Patent and Trademark Office, or for filing financing statements, and continuations, and other actions to perfect, protect, and continue the security interest created hereunder; (e) sums paid or incurred to pay any amount or take any action required of Debtor under this Agreement that Debtor fails to pay or take; (f) costs and expenses of preserving and protecting the Collateral; and (g) costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) paid or incurred to enforce the security interest created hereunder, sell or otherwise realize upon the Collateral, and otherwise enforce the provisions of this Agreement, or to defend any claims made or threatened against Secured Party arising out of the transactions contemplated hereby (including preparations for the consultations concerning any such matters). The foregoing shall not be construed to limit any other provisions of this Agreement or the Loan Documents regarding costs and expenses to be paid by Debtor. The parties agree that reasonable attorneys' and paralegals' fees and costs incurred in enforcing any judgment are recoverable as a separate item in addition to fees and costs incurred in obtaining the judgment and that the recovery of such attorneys' and paralegals' fees and costs is intended to survive any judgment, and is not to be deemed merged into any judgment.

**14.9 Notices.** Except as otherwise provided herein, all notices, demands, and requests that either party is required or elects to give to the other shall be in writing and shall be governed by the provisions of Section 10.1 of the Credit Agreement.


**14.10 Termination By Lender.** After the Secured Party has received payment and performance, in full, in cash, of all Obligations, Secured Party shall execute and deliver to Debtor a termination of all of the security interests granted by Debtor hereunder.

**14.11 Integration.** This Agreement, together with the other Loan Documents, reflect the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

*[remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

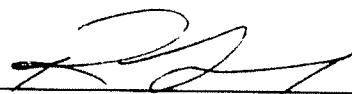
**SPORTS GIANT LLC,**  
a California limited liability company

By:   
Name: SHANE WOODR  
Title: PRESIDENT



IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

**BEACH BUSINESS BANK**

By:   
Name: RICHARD LAMPONX  
Title: V.P.

Schedule "A"

TRADEMARKS

Country	Reference No.	Mark	Class	App. No.	App. Date	Reg. No.	Reg. Date	Status	Owner
Australia	TM1405-001	HOCKEYOVERSTOCK	25, 28, 35	1212635	11/26/2007	1212635	7/14/2008	Registered	SPORTS GIANT LLC
Canada	TM1431-002	CANADA'S HOCKEY GIANT	N/A	1399727	6/16/2008	TMA748,058	9/17/2009	Registered	SPORTS GIANT LLC
Canada	TM1148-002	GAMEROOMGIANT	00	1156007	10/17/2002	615,519	7/22/2004	Registered	SPORTS GIANT LLC
Canada	TM1149-002	GAMEROOMGIANT.COM	00	1156008	10/17/2002	615,543	7/22/2004	Registered	SPORTS GIANT LLC
Canada	TM1142-002	HOCKEYGIANT	00	1156012	10/17/2002	615,679	7/26/2004	Registered	SPORTS GIANT LLC
Canada	TM1143-002	HOCKEYGIANT.COM	00	1156011	10/17/2002	615,678	7/26/2004	Registered	SPORTS GIANT LLC
Canada	TM1144-002	HOMERUNGIANT	00	1156004	10/17/2002	615,521	7/22/2004	Registered	SPORTS GIANT LLC
Canada	TM1145-002	HOMERUNGIANT.COM	00	1156006	10/17/2002	615,520	7/22/2004	Registered	SPORTS GIANT LLC
Canada	TM1146-002	LACROSSEGIANT	00	1156009	10/17/2002	615,677	7/26/2004	Registered	SPORTS GIANT LLC
Canada	TM1147-002	LACROSSEGIANT.COM	00	1156010	10/17/2002	615,542	7/22/2004	Registered	SPORTS GIANT LLC
Canada	TM1140-002	SPORTSGIANT	00	1156005	10/17/2002	631468	1/28/2005	Registered	SPORTS GIANT LLC
Canada	TM1141-002	SPORTSGIANT.COM	00	1156013	10/17/2002	631328	1/27/2005	Registered	SPORTS GIANT LLC
United States	S11629	EPuck.com	35	77/112,543	2/21/2007	3,301,584	10/2/2007	Registered	SPORTS GIANT LLC
United States	S11630	EPuck.com & Design (in color)	35	77/112,580	2/21/2007	3,347,094	12/4/2007	Registered	SPORTS GIANT LLC
United States	S11631	EVERYTHING BUT THE ICE	35	77/112,596	2/21/2007	3,301,586	10/2/2007	Registered	SPORTS GIANT LLC

Schedule A

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**TRADEMARK**

**REEL: 004247 FRAME: 0232**

United States	S7366	GEAR ROLLER HOCKEY & Design	25, 28	75/006,307	10/16/1995	2,103,998	10/7/1997	Registered	SPORTS GIANT LLC
United States	S6221	HOCKEYGIANT	35	76/349,655	12/19/2001	2,682,997	2/4/2003	Registered	SPORTS GIANT LLC
United States	S6222	HOCKEYGIANT.COM	35	76/349,658	12/19/2001	2,682,998	2/4/2003	Registered	SPORTS GIANT LLC
United States	S6632	LACROSSEGIANT	35	76/407,051	5/9/2002	2,731,648	7/1/2003	Registered	SPORTS GIANT LLC
United States	S6219	SPORTSGIANT	35	76/349,657	12/19/2001	2,792,337	12/9/2003	Registered	SPORTS GIANT LLC
United States	S6220	SPORTSGIANT.COM	35	76/349,656	12/19/2001	2,792,336	12/9/2003	Registered	SPORTS GIANT LLC

**Schedule "B"**

**PATENTS**

**None reported by Borrower.**

Schedule B

**Schedule "C"**

**U.S. REGISTERED COPYRIGHTS**

**None reported by Borrower.**

**CANADIAN COPYRIGHTS**

**None reported by Borrower.**

Schedule C

BN 651111v2

**RECORDED: 07/22/2010**

**TRADEMARK  
REEL: 004247 FRAME: 0235**